

EDMONDS CITY COUNCIL APPROVED MINUTES

February 7, 2012

The Edmonds City Council meeting was called to order at 7:00 p.m. by Mayor Earling in the Council Chambers, 250 5th Avenue North, Edmonds. The meeting was opened with the flag salute.

ELECTED OFFICIALS PRESENT

Dave Earling, Mayor
Strom Peterson, Council President
Frank Yamamoto, Councilmember
Joan Bloom, Councilmember
Michael Plunkett, Councilmember
Lora Petso, Councilmember
Adrienne Fraley-Monillas, Councilmember
Diane Buckshnis, Councilmember

ALSO PRESENT

Alex Springer, Student Representative

STAFF PRESENT

Al Compaan, Police Chief
Stephen Clifton, Community Services/Economic Development Director
Phil Williams, Public Works Director
Shawn Hunstock, Finance Director
Carrie Hite, Parks & Recreation Director
Rob Chave, Planning Manager
Carl Nelson, CIO
Jeff Taraday, City Attorney
Linda Hynd, Deputy City Clerk
Jana Spellman, Senior Executive Council Asst.
Jeannie Dines, Recorder

1. APPROVAL OF AGENDA

COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AGENDA IN CONTENT AND ORDER WITH THE ADDITION OF AN EXECUTIVE SESSION FOLLOWING AUDIENCE COMMENTS.

Council President Peterson requested Item 7, Discussion regarding Transport Fees and Insurance, be removed from the agenda.

MOTION CARRIED UNANIMOUSLY.

Councilmember Bloom asked why Council President Peterson asked to have Item 7 removed from the agenda. Council President Peterson explained Councilmember Yamamoto and he have been talking with a citizen as well as Fire District 1 and determined there was not sufficient information to present to the Council at this time. Discussions with FD1 will continue and this topic will be presented initially to the Finance Committee or a 4th Tuesday work session.

2. APPROVAL OF CONSENT AGENDA ITEMS

Councilmember Petso requested Item H be removed from the Consent Agenda.

COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER PETSO, TO APPROVE THE REMAINDER OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:

A. ROLL CALL

B. APPROVAL OF CITY COUNCIL MEETING MINUTES OF JANUARY 23, 2012.

- C. APPROVAL OF CITY COUNCIL MEETING MINUTES OF JANUARY 24, 2012.
 - D. APPROVAL OF CLAIM CHECKS #130090 THROUGH #130232 DATED JANUARY 26, 2012 FOR \$228,462.56, REPLACEMENT CLAIM CHECKS #130233 THROUGH #130234 DATED JANUARY 27, 2012 FOR \$561.00, AND CLAIM CHECKS #130235 THROUGH #130331 DATED FEBRUARY 2, 2012 FOR \$1,520,676.53. APPROVAL OF PAYROLL DIRECT DEPOSIT AND CHECKS #51165 THROUGH #51191 FOR THE PERIOD JANUARY 16, 2012 THROUGH JANUARY 31, 2012 FOR \$645,989.02.
 - E. ACKNOWLEDGE RECEIPT OF CLAIMS FOR DAMAGES FROM BERNARD MORRIS (\$1,238.93) AND FRONTIER (AMOUNT UNDETERMINED).
 - F. QUARTERLY REPORT REGARDING FIBER OPTIC OPPORTUNITIES.
 - G. RENEWAL OF UNIFORM CONTRACTS.
 - I. ORDINANCE NO. 3872 – AMENDING EDMONDS CITY CODE CHAPTER 3.65; DESIGNATING THE CITY CLERK AS THE PUBLIC RECORDS OFFICER FOR THE TRANSPORTATION BENEFIT DISTRICT.
- ITEM H: ORDINANCE REVISING OUTDOOR DINING REGULATIONS OF ECDC 17.75 AND ADDITION OF A DEFINITION OF "OUTDOOR DINING AREA" TO ECDC 21.75. (FILE NO. AMD20110005)

Councilmember Petso explained when the Council previously discussed this, she was uncomfortable with outdoor dining adjacent to residential and will vote no on the ordinance.

COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO APPROVE ITEM H – ORDINANCE NO. 3871. MOTION CARRIED (6-1), COUNCILMEMBER PETSO VOTING NO.

3. AUDIENCE COMMENTS

Leigh Bennett, Edmonds, Hazel Miller Foundation Board Member, referred to the naming of the Old Milltown Park site, explaining last fall the Foundation received a grant request from the City with the option of funding \$44,000 for park site construction expenses or \$88,000 and the Parks Department would do its best to shepherd the naming of the park Hazel Miller Plaza as authorized under the guidelines. The Foundation Board approved an \$88,000 grant to assist with park construction based on the City naming the park Hazel Miller Plaza. He was present to answer any questions. Mayor Earling suggested any questions be asked during that agenda item.

Darrol Haug, Edmonds, Chair of the Citizen Technology Advisory Committee (CTAC), explained the CTAC's primary mission has been the Edmonds fiber optics project. The Council packet contains the latest quarterly report on the fiber optic network; the fiber optic project continues to improve. CTAC has existed for approximately six years and is comprised of volunteers who assist the City with evaluating technology issues. There have been three Mayors, five Council representatives, four Finance Directors during those six years; consistent during those six years have been Community Services/Economic Development Director and Executive Assistant Cindi Cruz. He displayed a fiber optic cable, explaining Edmonds has two fiber optic strands with 24 separate wires within each. Six of the wires are connected to the internet and available for use in the fiber optic network. To illustrate their capacity, he explained those six wires are capable of having 48,000 simultaneous two-way conversations. He presented a letter of thanks to the most recent CTAC Council representative, Councilmember Plunkett, who served during the last two years and has been instrumental in developing a quality program.

Ron Wambolt, Edmonds, recalled at the retreat Councilmember Petso stated opposition to view condominiums, in particular Pt. Edwards, and basically all residential housing as a form of economic development. His analysis of Pt. Edwards found 261 condominiums had a 2012 tax value of \$133 million. Construction of the condominiums generated a substantial amount of construction sales tax as well as Real Estate Excise Tax when the condominiums were sold and resold. He noted much of the 2005-2007 bubble in REET was attributable to the Pt. Edwards development. In 2012 the City collected \$274,757 in property taxes from the condominiums at Pt. Edwards; it would take retail sales of \$30.2 million to generate the same amount. The 500+ residents of Pt. Edwards are also potential customers for Edmonds merchants. In addition to City property taxes, in 2011 Pt. Edwards property owners paid over \$1 million in property taxes to other taxing authorities; the largest amount to the Edmonds School District, helping to reduce the amount of taxes paid by other property owners. He concluded Pt. Edwards condominiums benefited Edmonds' economy. Next, he referred to a comment made by Councilmember Plunkett in July that taller buildings do not equal economic development; if the number of condominiums downtown doubled, it would generate an additional \$360,000 in property tax revenue. Assuming that amount was incorrect, Mr. Wambolt researched the tax records of the 97 downtown condominium buildings containing 902 condos. The assessed value for 2012 is \$326 million and in 2011 the owners paid Edmonds property taxes of \$685,427, nearly twice the amount cited by Councilmember Plunkett. Many of the 97 buildings are mixed use buildings and his analysis did not factor in revenue from the commercial portions of the buildings.

Adam Vaughn, Edmonds, an employee and customer of Robin Hood Lanes, commented on how the Walgreen's offer will affect Edmonds. Robin Hood Lanes has existed for 52 years and is the only bowling alley in Edmonds; there are already three drugstores at the intersection. The loss of the bowling center as an indoor activity where families, youth, seniors and the disabled can recreate is a loss for Edmonds as a community and will affect the quality of life. He requested the Council do whatever possible within their power to retain Robin Hood Lanes.

Al Rutledge, Edmonds, explained Robin Hood Lanes was built in the 1960s. There is a separate land owner, building owner and business owner. Next, Mr. Rutledge expressed concern that there was no discussion at the Council retreat regarding the civic fields whose lease expires in 6-7 years. He suggested the City develop a plan for the future of the fields. Mr. Rutledge referred to legislation under consideration to allow a 1-2 cent local gas tax and suggested the Council discuss how those funds would be used. He also suggested the City work with Community Transit.

Executive Session

At 7:20 p.m., Mayor Earling announced that the City Council would convene in executive session regarding labor negotiations per RCW 42.30.140(4)(b). He stated that the executive session was scheduled to last approximately 30 minutes and would be held in the Police Training Room, located in the Public Safety Complex. No action was anticipated to occur as a result of meeting in executive session. Elected officials present at the executive session were: Mayor Earling, and Councilmembers Yamamoto, Plunkett, Buckshnis, Peterson, Fraley-Monillas, Petso and Bloom. Others present were Attorney Rosa-Fruehling-Watson, Parks and Recreation/Interim Human Resources Director Carrie Hite, Police Chief Al Compaan, HR Consultant Tara Adams, and Deputy City Clerk Linda Hynd. At 7:50 p.m., Mayor Earling announced to those present in the Council Chambers that the executive session would be extended for 15 minutes. The executive session concluded at 8:05 p.m.

Mayor Earling reconvened the regular City Council meeting at 8:07 p.m.

4. **A. ORDINANCE APPROVING AN AMENDMENT TO THE EDMONDS PUBLIC FACILITIES DISTRICT CHARTER; CHANGING THE SEMI-MONTHLY REGULAR MEETING SCHEDULE OF THE EDMONDS PUBLIC FACILITIES DISTRICT BOARD TO A MONTHLY REGULAR MEETING SCHEDULE.**

COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE ORDINANCE NO. 3873, APPROVING AN AMENDMENT TO THE EDMONDS PUBLIC FACILITIES DISTRICT CHARTER; CHANGING THE SEMI-MONTHLY REGULAR MEETING SCHEDULE OF THE EDMONDS PUBLIC FACILITIES DISTRICT BOARD TO A MONTHLY REGULAR MEETING SCHEDULE; AND FIXING THE DATE AND TIME OF SAID REGULAR MEETINGS. MOTION CARRIED UNANIMOUSLY.

B. ORDINANCE APPROVING AN AMENDMENT TO THE EDMONDS PUBLIC FACILITIES DISTRICT CHARTER; ESTABLISHING BOARD TERM LIMITS FOR MEMBERS OF THE EDMONDS PUBLIC FACILITIES DISTRICT BOARD

COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER PETSO, TO APPROVE ORDINANCE NO. 3874, APPROVING AN AMENDMENT TO THE EDMONDS PUBLIC FACILITIES DISTRICT CHARTER; ESTABLISHING BOARD TERM LIMITS FOR MEMBERS OF THE EDMONDS PUBLIC FACILITIES DISTRICT BOARD. MOTION CARRIED UNANIMOUSLY.

5. DISCUSSION REGARDING RETAIL ONLY ZONE IN BD1

Council President Peterson recalled when the Council discussed this in August 2011 the motion failed 3-2; only 5 Councilmembers were present. After that motion, there was some discussion among Councilmembers that this topic could be revisited and input sought from downtown property owners. He scheduled it on tonight's agenda not to take a legislative action but to determine whether the Council was interested in further discussion. Two Councilmembers were absent when the vote was taken in August and there are two new Councilmembers now.

Councilmember Buckshnis asked whether there was a height issue associated with the retail only zone in BD1 or only a proposed change to prohibit service businesses in the BD1. Council President Peterson responded there was no proposal related to building heights, the issue of depth was addressed via another amendment. The only issue was related to allowing only retail businesses in the BD1 zone.

Councilmember Petso recalled Councilmember Fraley-Monillas convinced her that it would be problematic to tell property owners to whom they could and could not rent. She was not "overly excited" to have this topic return to the Council but if it did she suggested adding a provision that allowed a property owner to rent to whomever they wanted after a period of time.

Councilmember Plunkett commented he was willing to discuss the matter again although he opposed the proposed change originally and would continue to oppose it. He questioned why the Council would be interested in placing restrictions on a property owner with regard to renting their property in the worst economic recession in our lifetime.

Councilmember Yamamoto commented he had a business downtown and could see the need for a retail only zone in the BD1. He agreed with seeking input from property owners. He has had discussions with two of the property owners who own a majority of the properties in the BD1 and they are in favor of the change. The area downtown that this would affect is one block from the fountain in each direction and those buildings and spaces are very desirable. It would be beneficial downtown to maintain the continuity from the center outward instead of having gaps where there are service businesses. He pointed out in Leavenworth and in similar communities, the downtown is all retail with no gaps.

Councilmember Fraley-Monillas said she would be willing to open the discussion again. She has a number of questions such as grandfathering, whether the proposal was for 1 or 2 blocks from the fountain, and what happens if a property owner is unable to rent the space within 90 days to a retail business.

Council President Peterson offered to work with staff to address the Council's questions and will schedule further discussion at a 4th Tuesday work session, likely in May as strategic plan retreats are scheduled on several of the upcoming work sessions.

6. NAMING OF OLD MILLTOWN PARK SITE

Parks & Recreation Director Carrie Hite recalled when she was hired in January 2011 she was tasked by several Councilmembers and community members with development of the Old Milltown Park plan. She met frequently with several members of the Floretum Garden Club who had taken on an ambitious project to redesign, construct and maintain the Old Milltown site. Concerns with the original design developed by the Garden Club were brought to her attention including utilities, lack of a public process and lack of involvement in the design process. She worked collaboratively with the Garden Club on a design that they unanimously accepted and that was brought to the Council and adopted in August 2011.

Ms. Hite displayed the concept design, highlighting the raised bed garden planters in the plaza area, natural seating areas, furniture seating areas, artistic elements, fountain feature, and drinking fountain. A design team developed the design that is currently under construction.

Ms. Hite explained the Old Milltown Park site budget was approximately \$150,000 which included design work, demolition, permitting, utility work, grading, flatwork, raised bed gardens, artistic elements, plantings, furniture, etc. Providing utilities at the site (electrical and water) cost \$20,000-\$25,000. Revenues for the project include:

Floretum Garden Club	\$ 12,000
Edmonds in Bloom	\$ 4,000
Hubbard Family Foundation	\$ 4,000
Edmonds Arts Festival Foundation	\$ 4,000
Edmonds Arts Commission	\$ 2,000
Rebecca Wolfe (drinking fountain)	\$ 3,000
Bench donation program (Baker, Hardan, Floretum)	\$ 6,000
Alliance for Citizens of Edmonds	\$ 200
Rosen Properties	<u>\$ 7,500</u>
Total Revenues to date	\$ 41,200
Gap (Expenses – Revenues)	\$108,800

Ms. Hite reviewed City funds allocated to the project:

Original allocation	\$ 40,000	
Additional budget allocation	<u>\$ 70,000</u>	(with direction to staff to seek grants and donations to equal this amount)
Total	\$110,000	

Funding sources: Real Estate Excise Tax (REET), Park Improvement and Capital Funds

Staff submitted a two tiered grant request to the Hazel Miller Foundation, 1) a \$44,000 request that would have covered the difference, and 2) \$88,000 that would pay for the rest of the construction with only the \$20,000-\$25,000 for utilities coming from REET. The \$88,000 request explained the naming contest and the possibility of naming Old Milltown Park site the Hazel Miller Plaza. The grant submittal did not guarantee the name but expressed support for the name.

Ms. Hite described the park naming process:

1. Parks Department notifies the Planning Board
2. Park Naming Contest, Park Naming Form available for a period of time.
3. Planning Board conducts a public hearing.
4. Planning Board makes a naming recommendation to City Council for final adoption

Staff initiated a park naming process and the City received 43 submittals for the Old Milltown Park site. Of the 43 submittals, 25 included Hazel Miller in the name. The Council packet includes a list of the submittals. She emphasized the Hazel Miller Foundation provided one submittal for the name Hazel Miller Plaza; a letter attached to their submittal is contained in the Council packet.

Ms. Hite explained Hazel Miller was a long time Edmonds resident who fell in love with Edmonds, and upon her passing in 2009, established the Hazel Miller Foundation. The Hazel Miller Foundation is dedicated to serving the citizens of Edmonds and South Snohomish County through programs and projects that serve the public's benefit.

One of the criteria in the City's park naming policy is an individual or organization that contributed significantly to the acquisition or development of the facility. This can include...a substantial monetary contribution (typically not less than 50 percent of the value of the property or improvements).

Ms. Hite described the Planning Board's process:

- Held a public hearing on December 14, 2011 to discuss the naming of the Old Milltown Park site.
- Continued the public hearing to January 11, 2012.
- Carefully considered and discussed options for naming the park site.
- Unanimously voted to recommend the name the Hazel Miller Plaza to City Council for adoption
- Also voted to install a plaque at the site with a depiction of Hazel Miller and her story

Ms. Hite summarized the Planning Board's recommendation to adopt the name Hazel Miller Plaza for the Old Milltown Park site.

Councilmember Buckshnis thanked the Hazel Miller Foundation for their donation. She asked whether other donors who contributed significantly to the project would be recognized at the site. Ms. Hite answered anyone who contributed over \$1000 will be named at the park site. The precast planters were poured with a ¼ inch inset for bronze plaques to name individual donors.

Councilmember Buckshnis asked whether the history of Old Milltown will be described at the site. Ms. Hite answered yes, the details of that are being worked out.

Councilmember Buckshnis asked whether Rachel Sedgefield will be recognized at the site. Ms. Hite answered the Floretum Garden Club's donation includes \$2,000 for a bench in Ms. Sedgefield's name.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE NAMING THE OLD MILLTOWN PARK SITE THE HAZEL MILLER PLAZA.

Councilmember Buckshnis asked whether the park sign would be the Hazel Miller Plaza with "at Old Milltown" in smaller letters. Ms. Hite answered no; it will be called the Hazel Miller Plaza.

Council President Peterson disclosed his wife, Maria Montalvo, is on the Hazel Miller Foundation Board. She is a volunteer board member so there is no financial conflict.

MOTION CARRIED UNANIMOUSLY.

7. DISCUSSION REGARDING TRANSPORT FEES AND INSURANCE

This item was removed from the agenda under Agenda Item 1.

8. MAYOR'S COMMENTS

Mayor Earling thanked the Hazel Miller Foundation for their donation. The Miller family has left a great legacy for the community and this is only one of the ways they have been involved. The Foundation has awarded many grants in the community and he looked forward to their involvement. He requested Mr. Bennett relay to the Board the City's appreciation for this contribution along with other donations they have made.

Mayor Earling reported next Wednesday he and three directors will travel to Olympia to meet with legislators regarding park and transportation projects. He invited Councilmembers to inform him of any specific issues for discussion with the legislators.

9. COUNCIL COMMENTS

Councilmember Buckshnis reported Snohomish County Tomorrow (SCT) adopted their budget, work plan and legislative agenda. SCT is grouping cities in an effort to be synergistic with regard to transportation and growth management. SCT also discussed Community Transit.

Council President Peterson thanked the Council, staff and citizens who attended the Council retreat. It was a positive step and a good kickoff for the year and the new Council. He reviewed the retreat:

- The Community Services/Development Services Committee was renamed the Public Works, Parks and Planning Committee
- The Public Safety/Human Resources Committee was renamed Public Safety and Personnel Committee
- Councilmember Buckshnis and Yamamoto plan to develop a mission statement for the Finance Committee. Other committees are considering developing mission statements.
- The Council discussed changing the start time of Council meetings from 7:00 to 6:00 p.m.
- The 4th Tuesday will be a work session with the entire Council. This will be an opportunity for more informal discussion with staff to ask questions about issues. The intent is not to take action at the work session but rather to have a Q&A with staff and debate among the Council so when votes are taken they can be done more expeditiously.

Councilmember Fraley-Monillas thanked the Hazel Miller Foundation for their donation, noting it is a great community group. She congratulated Student Representative Alex Springer who was selected as Edmonds-Woodway High School Student of the Month.

Councilmember Fraley-Monillas assured the employees of Robin Hood Lane that the Council is watching the situation and within its abilities keeping an eye on what is occurring.

Councilmember Yamamoto commented he enjoyed the retreat and found it very productive. He looked forward to working with the Council. He also congratulated Student Representative Springer.

10. ADJOURN

With no further business, the Council meeting was adjourned at 8:37 p.m.